

G. R. S. 58
Previous references.

File No. 184-06

1906-7

SERIAL NOS. 1-3

Gen. Fin

Later references.

May 225-33-1-4

8.7 282-35(1-3)
135-36(1-2)

Law 173-37-1-2

GENERAL AND REVENUE SECRETARIAT

Serial Nos. 1-3

Part B. for Feb

SUBJECT.
Sanctioning the general of the system
of accepting deposits from private individuals
at favourable rates of interest.

To the Secretary
Request him to forward his office file no
on the subject of receiving charitable and other
funds at favourable rates of interest.
From the Secy to Govt Mysore Sept
1906 8.12.06.

Forwards the file as desired
of Notification no. 744007 of 12

Notifies that deposits for
will be received under certificate
G. R. S. 58-7-1907

SUBJECT No. 194.

ve per cent interest on
charitable endowments.

Messrs. B. Kesavaiengar and Kesa-
vadasaiengar, Belur Taluk.

Summary of discussion.—Interest at five per cent was
allowed on deposits on charitable endowments. A number
of such endowments was then made. That order is now
cancelled, and so charitable endowments have become
frequent now. The former system may therefore be re-
vived.

Reply of Government.—Interest at the rate of five per
cent cannot be given. But the question of taking the
deposits and allowing a fair rate of interest will be con-
sidered.

May this be intimated to the banks &
the Musgraves Sect for needful act

Draft subd

K.S.
13/11/06
my

Final orders in the
matter have already
been passed. Please
put up the G.O.

amls

14-11-06

Resubmitting.

G.O. No. 5269-7 after 17.5.06, is probable
Muzj 7.5-902

alluded to, but this was before fact when the
representation was discussed in the Assembly. It
is perhaps inclined to bestow further

consideration on the subject. Please refer to

Mr. Super

K.S.

14.11.06

Detach this letter
with the original paper

17-11-06

GENERAL AND REVENUE SECRETARIAT

(Gen: Fin:)

NOTES.

File. No / 82-6.

FILE HEADING.

The question of receiving charitable endowment funds
at favourable rates of interest

From

(Oasara Representative Assembly Subject)

No.	Dated	Received
Diary No.	Enclos.	Spare Copies.
Serial No.		
SUBJECT No. 194 of 1906.	Summary of discussion.—Interest at five per cent was allowed on deposits on charitable endowments. A number of such endowments was then made. That order is now cancelled, and so charitable endowments have become less frequent now. The former system may therefore be revived.	
Five per cent interest on charitable endowments.	Reply of Government.—Interest at the rate of five per cent cannot be given. But the question of taking these deposits and allowing a fair rate of interest will be considered.	
Messrs. B. Kesavaiah and Kesavaiah, Belur Taluk.		

NOTES AND ORDERS.

Secretary's orders: —

"Settle this Subject and submit separately with the original reference files"

Ed. K. S. L.

Genl In File No. 184 of 1906-7.

Serial
No.
1.

To the Secy. to Govt. Muz. Deptt.?

H: 3942 of the 29.11.06.

Requests him to forward his office
file no: 6 of 1902 on the subject of
receiving charitable endowment funds
at favourable rates of interest.

From the Secy to Govt. Muz. Deptt. →
Forward the file as requested.

In 1892, the system of receiving charitable
endowment funds up to a maximum^x
limit of 1,00,000 at 5% interest was intro-
duced and it continued up to the end
of 1894, when ^{in 1895} it was ordered to be held
in abeyance. This year it was proposed
to revise the practice, subject to the
modification of reducing the interest
to 4% and of raising the minimum
deposit from 3 to 5 thousands. But, on
the recommendation of the Comptroller, it was
then laid down in f.o. no: 5269-78817-506 that the
proper course for the intending benefactors was
not to make the cash deposit at this or
that rate of interest, but to buy Govt. of
India Securities & deposit them with Govt. for
the purpose of drawing the interest.

Serial
No.

thereon for the use of the stipulated charitable purposes. (vide G.O. No: 5269-Muz. 2.6 of 1902 of 17.5.06).

In their reply to the members of the Representative Assembly, Govt. have promised to ^{consider the question of} receiving cash deposits for charitable endowment at a fair rate of interest.

Submitted ^{to Secy} for orders.

K.S.

14.12.06

mull

17/12/06

^{15/12} The arrangement proposed in the Council Resoln of 7. March 1906 (viz. raising minimum deposits from 3 to 5 thousand rupees, & reducing rate of interest from 5 to 4 per cent) seems reasonable.

We have already received an applⁿ from Mr. Motadappa for permission to deposit Rs 75,000 as an endowment fund for his chattram near the Dargah R. R. Station.

If approved, the matter will be circulated to the Council for their opinion.

This may be done

GPB-50,000--23 10-05

B. V. S. B.

16/11/07

Serial
No.

Circular

The Charities for whose benefi-
mney endowments are made
serve the wants of the public.
For instance I cannot conceive
a more worthy Charity than
the Chattram built by Mr
Jhotadabhai near the City
Railway station. It serves
a large public want. He
wishes to endow it with Rs 75,000.
He has spent more than a
Lakh of rupees on the building.
Both for the safety of the endow-
ment and the permanence
of the Charity it is meet
that Government should
encourage the donors by ac-
cording the amount at a reason-
able rate of interest. The
proposal to allow 4% interest
& to raise the minimum from
Rs 3000 to Rs 5000, has

Serial
No.

or ~~exceed~~. Whether this condition
is satisfied to the ^{record} matter for
determination in each
individual case -

[Theine book grants in
aid are in vogue in the Educa-
tional Dept in the Madras
Presidency - but I am not able
to cite references at this moment]

W. C. 28/Jan/07

Submitted to Secy after circulation -
h/m

GENERAL AND REVENUE SECRETARIAT.

Council matter.

Subject.

Receiving charitable endowment funds at favourable rates
of interest.

3548
28/1/07
Circulated to Councillors.

By Order,

Michael Sathyan
Secretary.

18th January.....1907.

Ananda Row, Esq., . B.A., .
First Councillor.

Please ^{see} Councillors opinion
recorded on the office note.

P. Puttanna Chetty Esq., .
Second Councillor.

W. M. N.
28/1/07

Re-circulated to the Councillors.

By Order,

W. Chandrasekhar
Secretary to Government

7th February 1907.

Ananda Row, Esq. B. A. First Councillor. Seen by the Councillor.
27/2/07.

P. Puttanna Chetty Esq. 11/1/07
Second Councillor. 19/2/07

Inclde in agenda
16/2/07

Submitted to His Highness.

The question of the acceptance by Government of cash deposits from private individuals at favorable rates of interest for the benefit of public charities has already been before His Highness. In His Highness' order dated 3rd April 1906, it was directed that the system of receiving such deposits and allowing interest at 5 per cent on them need not be revived, but that the proper course for intending benefactors was to buy Government of India Securities and deposit them with Government.

During the Dassara Assembly of 1906, a representation was made for a return to the original system of allowing interest at 5 per cent on deposits for charitable endowments, and the question of taking these deposits and allowing a fair rate of interest, was promised to be considered.

In this connection a memorial presented to His Highness by Dharma Pravarta Mr. Gubbi Thodappa, praying that as a special case a deposit of Rs.75,000 might be accepted from him as an endowment for his

Chattram near the Railway Station at Bangalore and interest paid on it at 5 per cent, has been forwarded to me for necessary action (Vide Private Secretary's D.O.No.53 dated 24th November 1906).

*as under dist. board
Chattram - 11-1-07*

On a consideration of the question, the muncillors and I are of opinion that a revival of the old system in a modified form, will go a great way to stimulate public charity, and that the arrangement proposed in the Council Resolution of 7th March 1906, that the minimum for such deposits prescribed in the proceedings of 9th August 1892, be raised from 1,000 to 5,000 Rupees and the rate of interest reduced from 5 to 4 per cent, is equitable and may be adopted. The other conditions may be the same as laid down in the Proceedings of 1892.

K (linked file)

K (linked file)

I submit the file for orders.

4/2/1907

Record of Cases submitted for the Orders
of His Highness the Maharaja.

Subject.

Receiving charitable endowment funds
at favorable rates of interest.

Order.

Before coming to a decision in the case
I should be glad to know the reasons why the
considerations and arguments which resulted in
the promulgation of G.O.No.5269-78 Muz F 6 of
1902 dated 7-5-06 are now proposed to be set
aside.

~~KRW~~

9/2/07

The Dewan desires that this
may be placed before
Council again

CSK
12/2/07
Secretary

Serial
No.

seen

W.H.
19/2/07

seen

W.H.
27/2/07

Brought up at the Council meeting of 5 March 1907, 2 orders to be dealt with in connection with the proposal to raise a loan for railway purposes

W.H.
18/3/07

The question of raising a loan for railway purposes by the conversion of Savings Banks rules or otherwise was submitted to Council on 22.7.07 with a memo from the Comptroller taking objection to the proposed changes in the Savings Banks Rules. Again, the D.P.W. File, on the subject of finding funds for the Nanjangud-Sode Railway, was returned, upon requisition, to the D.P.W. Secretary with the opinion of the Fin. Secretary. This day. In regard to the latter subject, attention is invited to the Res. Let no. 48 of the 17.7.07 (copy put up) to the effect that information has been received from the Govt of India that Nanjangud-Sode Railway is not included in the Imperial Programme for 1907 to 1910. & that there seems to be little prospect of its being taken up for some years.

1 min
21/7/17

Submitted by Genl Secy

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

The Secretary
Genl & Rev Dept

we want wishes
that the subject of
paying a higher
rate of interest
on deposits made
for charitable purposes -
the file regarding which
was remitted for further
consideration, by H H the
Maharaja - may be
brought up early at a
Council meeting

N. B. - Should routine notes be written on small
slips; the notes must be copied, or slips
pasted on this form.

Asst Secy
Branch A.

Please let me
know about what
still the matter is
now

GPB-30,000-11-4-06.

24/11

Supl
Please put up in
file on 24/11

The reasons and arguments which resulted in the promulgation of G.O.No.5269-78 Muz. 6 of 1902 dated 7.5.1906 were based on the views of the late Comptroller*Mr.Basu, vide his note dated 9.5.1905.

They are as follow:-

- i. That expenditure incurred in paying interest on charitable endowments from State Revenues is not to be construed to be on bona fide public service, for ^{two} reasons viz., 1st, that the endowments are purely of local interest, in which the general body of tax-payers are not interested and secondly that such expenditure cannot be undertaken without infringement of the principles or policy by which Government measures are guided, as in the case of expenditure by the State in the Muzrai Dept: (or the Ecclesiastical department in British India).
- ii. That even in cases when a local charity started as a purely local matter becomes afterwards a subject of general

^{benefit}
~~contribution~~, a State contribution^{sum} would

be a more appropriate course than the grant of a special rate of interest being given by Government at a time when the charity is started, *as one of local interest.*

ii. That the acceptance by the State of the custody of the ^{invested} funds and the proper application of their receipts to the objects intended is itself a guarantee and a sufficient inducement to the donors.

iv. That the idea to go shares in the matter of private charity to buy a good name by throwing some of the burden on the Public Revenues is not a Hindu idea, and is more or less the result of English education.

It may also be argued that when the trenchment of expenditure in all departments of the State is being the subject of discussion, the undertaking of additional expenditure to an indefinite extent in the way proposed, is not a desirable step at this stage.

The reasons which may be put forward in

support of the policy of using the receipt of private endowments in cash deposits with a guarantee of paying a reasonable rate of interest (viz., 4 p.c.) are summarised below:-

1) A glance at the list of endowments that were made in accordance with the order of 1892, between 1892 and 1895 and the good work that some of them have been doing show how the well-being of the State has been promoted in several ways;

2) The distinction between charities of local interest and those of general interest cannot always be well-maintained, nevertheless the misapplication of the rules to schemes of purely local charity is hardly possible as Government have power to decide in each case whether a scheme of charity proposed deserves the concession of a favourable rate of interest, being granted at the expense of the State Revenue.

3) The hard and fast rule intended to be laid down regarding the policy of expenditure from Public Revenues as in

British India is not capable of easy observance in a Native State like Mysore (e.g., expenditure on reception of important personages, entertainment at Birthday and Dusserah festivities &c., expenditure from local and Municipal ^{fund} as distinguished from State Revenue).

4). There would be greater advantage in Government undertaking to invest in Govt: securities or ^{to make} some profitable investment rather than the donors doing it now and then and the burden that will have to be placed on the State's revenues will be about $\frac{1}{2}$ per cent, which the ^{State} can well undertake in consideration of the public benefit that is expected to accrue therefrom.

5). Before the imposition of limits to the aggregate amount of deposits in Savings Bank deposits, the donors had the opportunity of investing them in Mysore Savings Bank, and now the only course open is to invest the same in Government of India Securities, the interest received

from which will not be sufficient to induce donors to undertake works of public benefit.

6) The fact that the amounts deposited with Government by donors are not repayable is a very strong point in deciding the question of their acceptance by Government. Lately, the Government had to raise a loan of 20 lakhs for investment in a profitable undertaking. Government have, up till recently, with advantage utilized the floating Savings Bank deposits.

~~This door being closed and the raising of a loan being admittedly, beset with difficulties~~ The advantage of investing capital thus deposited in well-thought out and profitable undertakings is ^{one} ~~a point~~ that should be availed of. Both economical and administrative reasons may well be cited in support of the proposal.

7). Then again, convenience to travellers, medical aid to the invalid, and education to the masses must be recognized

to be objects of State expenditure, and
the supplementing the ^{private} endowments intended
for these objects by a ^{small} grant-in-aid as

it were, cannot be construed as being
opposed to the general policy of public
expenditure. Of the ~~Social~~ charities of

which endowments
are now proposed to be
made, Ni Mota dappa's
chatram at Bangalore,
Ni Dyavappa's chatram
at Raigar, Dist. Kumbhara
chatram at Shimoga. ~~will~~ ^{do}
certainly promote the conve-
-nience of travellers, a legitimate
object of public expenditure.
Similarly Ni Doddanna's school
in Bangalore promotes education
& a grant-in-aid from Govt would
be quite legitimate.

The extra $\frac{1}{2}$ per cent on an endowment of 1 lac of rupees amounts only to 500 Rs a year & can hardly be said to be a lavish expenditure of public funds on objects of public benefit.

8). To encourage private individuals to undertake some of the duties on which the State is now incurring expenditure, there seems no better way than to offer a stimulus in the way proposed, and ^{it is} a possible ~~idea is~~ to ultimately control or restrict the State grants now incurred through the Muzrai and other departments only to certain classes of expenditure if people ~~shall~~ ^{undertake other} should largely come forward to ~~its aid~~ ^{classes of expenditure.}

9) When Municipalities and Local Funds are ~~to be~~ supplemented with State aid to a very large extent - a policy which is not quite in accordance with that understood to be applied in British India, it cannot be ~~argued~~ that the encouragement of private charities which to a certain extent

undertake the duties devolving on the ~~for-~~
~~state~~ *or in local bodies*
~~mer~~ is not a recognized form of public
expenditure.

*The order of April 1906
does not seem to have
given satisfaction and*

10). Most of the above arguments were
put forward before orders were issued by
H.H. on 3.4.1906. ~~But~~ the investment of
charity funds in Government of India se-
curities by or on behalf of the donors
does not ~~offer a sufficient guarantee of~~ *appear to command ^{itself} ~~reaction~~ to*
to the minds of the donors, nor does
~~permanence and~~ the interest of $3\frac{1}{2}$ per
cent ~~loss income tax~~ *seem to* does not offer ~~the~~
to private charity.
required stimulus, Instead of Govt. being
put to the necessity of supplementing pri-
vate charities by monthly or lump sum con-
tributions, it would be more desirable for
Government to have the use of the funds
and give the necessary support and strength
for the furtherance of the benefits intend-
ed in the several cases, *by the course now*

suggested -

Secy.

187

5.3.07.

Subm^d to. Dewan

CSB

4/10/07

715
16/11/07

Extract from the Proceedings of the 184 Meeting
of the Council of His Highness the Maharaja,
held at Bangalore on the 8th November 1907.

VI. Subject.-(Class X of the Schedule).

Receiving charitable endowment funds at favourable rates of interest.

O P I N I O N.

The Council has further considered the subject with reference to the orders of His Highness dated 9th February 1907 and submits the accompanying memorandum for consideration.

Sd/- V. P. Madhava Rao.

Dewan of Mysore.

" E x t r a c t "

C. Balasundaram
Offg. Secretary to Government.

MEMO

The reasons and arguments which resulted in the promulgation of G.O.No.5269-78/Muz.6 of 1902 dated 7th May 1906 were based on the views of the late Comptroller, Mr.Basu, stated in his note dated 9th May 1905.

They are as follows:-

- i. That expenditure incurred in paying interest on charitable endowments from State Revenues is not to be construed to be on bona fide public service, for two reasons viz., 1st that the endowments are purely of local interest, in which the general body of tax-payers are not interested and secondly that such expenditure cannot be undertaken without infringement of the principles or policy by which Government measures are guided, as in the case of expenditure by the State in the Muzrai Department (or the Ecclesiastical Department in British India).
- ii. That even in cases when a local charity started as a purely local matter becomes afterwards a subject of general benefit. a State

contribution then would be a more appropriate course than the grant of a special rate or interest by Government at a time when the charity is started as one of local interest.

iii. That the acceptance by the State of the custody of the invested funds and the proper application of their receipts to the objects intended is itself a guarantee and a sufficient inducement to the donors.

iv. That the idea to go shares in the matter of private charity to buy a good name by throwing some of the burden on the Public Revenues is not a Hindu idea, and is more or less, the result of English education.

The reasons which may be put forward in support of the policy of encouraging the receipt of private endowments in cash deposits by a guarantee of a slightly favourable rate of interest (viz., 4 per cent) are summarized below:-

1. A glance at the list of endowments that were^{made} in accordance with the order of 1892, between 1892 and 1895 and the good work that some of the charities have been doing show how the

well-being of the State has been promoted in several ways;

2. Before the imposition of limits to the aggregate amount of deposits in the Government Savings Bank, intending donors had the opportunity of investing the endowment in the Mysore Government Savings Bank, and now the only course open is to invest the same in Government of India securities.

3. Intending donors would feel it a great advantage if Government undertakes to invest the amount in Government of India securities or in some other profitable investment instead of themselves doing so.

4. The management of charities by the Govt: is no doubt an inducement to the charitably inclined, but naturally a person would like his endowment made as useful as possible and the offer of a slightly favourable rate of interest will operate as a great inducement to people to devote funds to charity.

5. The order of April 1906 does not seem to have given satisfaction and the investment of

charity funds in Government of India securities by or on behalf of the donors does not appear to commend itself to the minds of intending donors, nor does the interest of 3 per cent seem to offer the required stimulus to private charity. Instead of Government being put to the necessity of supplying by monthly or lump sum contributions, it would be more desirable for Government to have the use of the funds and give the necessary support and strength for the furtherance of the benefits intended in the several cases, by the course now suggested.

6. The distinction between charities of local interest and those of general interest is not always clear but the misapplication of the concession to schemes of purely local charity is hardly possible as Government have power to decide in each case whether a scheme of charity proposed deserves the concession of a favourable rate of interest being granted at the expense of the State Revenues.

7. The hard and fast rule intended to b

laid down regarding the policy of expenditure from Public Revenues as in British India. It is not capable of observance in a Native State like Mysore (e.g. expenditure on reception of important personages, entertainment at Birth-day and Dusseran festivities etc.. grants to local and Municipal funds from State Revenues etc.).

8. Then again, convenience to travellers, medical aid to the invalid, and education to the masses must be recognized to be objects of State expenditure, and the supplementing private endowments intended for these objects by a small grant-in-aid as it were. cannot be construed as being opposed to the general policy of public expenditure. Of the charities for which endowments are now proposed to be made, Mr.Thotadappa's chatram at Hangalore, Mr.Dyavappa's chatram at Sagar, Mr.T.Venkatappa's chatram at Shimoga do certainly promote the convenience of the travelling public a legiti-

mate object of public expenditure. Similarly Mr. Doddanna's School in Bangalore promotes education and a grant-in-aid from Government would be quite legitimate.

9. To encourage private individuals to under-

take some of the duties on which the State is now incurring expenditure, there seems to be no better way than to offer a stimulus in the manner proposed and it is possible to ultimately control and restrict the State grants now made through the Muzrai and other departments only to certain classes of expenditure people should largely come forward to undertake other classes of expenditure.

10. When Municipalities and Local Boards are supplemented with State aid to a very large extent - a policy which is not quite in accordance with that understood to be applied in British India, it cannot be argued that the encouragement of private charities which to a certain extent undertake duties devolving on the State or on local bodies is not a recognized form of public expenditure.

11. The extra $\frac{1}{2}$ per cent on an endowment of one lakh of rupees amounts only to Rs.500 a year and can hardly be said to be a lavish expenditure of public funds on objects of public

benefit.

benefit.

12. The fact that the amounts deposited with Government by donors are not repayable is a very strong point in deciding the question of their acceptance by Government as suggested. The capital thus deposited may with advantage, be invested in profitable undertakings. For instance such deposits could be invested in the 4 per cent loan recently raised or in similar loans in future. The rules of 1892 might be modified by the omission of the proviso to Rule IV, so that such amounts would be permanently deposited with Government.

Submitted to His Highness.

In my note dated the 4th February 1907, I submitted for orders the proposal of the Council that the former practice of accepting deposits from private individuals at favourable rates of interest might be revived. under certain conditions. His Highness was pleased to enquire what were the reasons why the considerations and arguments which resulted in the promulgation of the order of 7th May 1906, under which intending benefactors were required to buy Government of India Securities and deposit them with Government, were proposed to be set aside.

The matter has been further considered by the Council, and the Council submit the accompanying memorandum setting forth the reasons in support of the proposal to revive the former practice.

The rate of interest on such endowments might be fixed at 4 per cent per annum, and it should be a condition that the Government should not be required to repay the capital at any time.

18/11/1907

Record of Cases submitted for the Orders
of His Highness the Maharaja.

Subject.

Resubmitting with further note papers relating
to proposals connected with the revival of
the system of accepting deposits from private
individuals at favorable rates of interest.

Order.

I sanction the proposal and approve of the
draft submitted with the Dewan's d.o. letter
of the 3rd inst :

KRM
6/2/08

Dewan's adv

Please issue pro. by

7/2/08

The entire of
the correspondence,
list, is placed in'

Put up with
major 85.02 of
m. 23/01/09.

for II

Please the note please

ABJ
10/2/08

10/2/08
11/2/08

G. R. S. 12]

General and Revenue
Secretariat.

File No.

Serial
No.

NOTE - No. 71. 4007 of 12-2-08.

*Notes that under certain conditions
the deposits for charitable purposes will
be received by Revenue*

184
File No.

Serial No.

Diary No. of letter replied to

General and Revenue Secretariat

()
the 29-11-1906

Date of issue 10

Signed by W. M. B. S. S. S.

To

No. H 3942

29-11-06

The Secy to Govt

Muzam Sept.

Sir,

I am directed to request you to be so good as to forward for reference your file No. 6 of 1906 on the subject of receiving charitable endowment funds at favourable rate of interest.

The file is required for the disposal of subject no. discussed at the last Representative Assembly.

I have
22/11
Secretary

No. 3065. Exec. file. (C.165). Gen. No. 184-06

GOVERNMENT OF H. H. THE MAHARAJA OF MYSORE,
MUZRAI DEPARTMENT,

DATED BANGALORE, 8th Dec 1906.

FROM

L. ANANTASAMI RAO, ESQ., B.A.,

SECRETARY TO THE GOVT. OF H. H. THE MAHARAJA OF MYSORE,

MUZRAI DEPARTMENT.

TO

The Secretary to the Govt of H. H.
the Maharaja of Mysore,

SIR,

Genl & Rev. Departments

As requested in ^{your} ~~his~~ Letter
No. H. 3942 dated 29th November
1906, I am directed to forward
herewith the Muzrai File No. 6-1902
relating to the deposits for
charitable purposes and to
request the return of the file
when done with.

I have the honor to be,

Sir,

Your most obedient servant,

Chandrashekara
Secretary

~~Proceedings of the Government of His High-~~
~~ness the Maharaja of Mysore.~~

Notification

Order No. 36 4007 212 July
567m 184-06 1908

As applications are being received from private gentlemen for the deposit of moneys in Government Treasuries on favourable rates of interest with a view of securing a permanent income for the charities, which they have already established or contemplate establishing within the Province, the Government of His Highness the Maharaja are pleased to issue the following rules on the subject:-

- I. No deposit will be accepted for sums below Rs.3,000 or above Rs.100,
- II. The rate of interest for such deposits shall in no case exceed 4 per cent per annum and shall be payable half-yearly.
- III. Deposits will be received only on behalf of Benevolent, Charitable or Educational Institutions or objects of a kind which may be considered legitimate objects o

public expenditure, Government reserving to itself the right to determine, in each case, whether the charity on behalf of which application is made, is of a character that deserved encouragement.

7. The person wishing to make a deposit under these rules shall execute a document to the Government binding his heirs, executors, administrators or assigns not to demand at any time the whole or any portion of the principal of the sum deposited.

The Government are at liberty at any time to terminate the system of receiving deposits as above for charitable purposes.

Financial Secretary.

~~The Deputy Commissioners of Districts.~~
~~The Comptroller to Government of Mysore~~

GENERAL.

No. Fl. 4007--Gen. Fin. 184-06, dated 12th February 1908.

As applications are being received from private gentlemen for the deposit of moneys in Government Treasuries on favourable rates of interest with a view of securing a permanent home for the charities, which they have already established or contemplate establishing within the Province, the Government of His Highness the Maharaja are pleased to issue the following rules on the subject:—

- I. No deposit will be accepted for sums below Rs. 3,000 or above Rs. 1,00,000.
- II. The rate of interest for such deposits shall in no case exceed 4 per cent per annum and shall be payable half-yearly.
- III. Deposits will be received only on behalf of Benevolent, Charitable or Educational Institutions or objects of a kind which may be considered legitimate objects of public expenditure, Government reserving to itself the right to determine, in each case, whether the charity on behalf of which application is made, is of a character that deserved encouragement.
- IV. The person wishing to make a deposit under these rules shall execute a document to the Government, binding his heirs, executors, administrators or assigns not to demand at any time the whole or any portion of the principal of the sum deposited.
- V. The Government are at liberty at any time to terminate the system of receiving deposits as above for charitable purposes.

By Order,
C. S. BALASUNDARAM IYER,
Offg. Secy. to Govt., Gen. & Rev. Dep.

